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1911

MEXICO TRAMWAYS COMPANY



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UNIVERSITY OF MICHIGAN

ANN ARBOR, MICH.

DIRECTORS REPORT
AND ACCOUNTS

1911

Mexico Tramways Company

Incorporated under the Laws of the Dominion of Canada

Head Office

Manning Arcade, - TORONTO, Canada

General Offices

INDIANILLA, MEXICO CITY, Mexico
34 Bishopsgate, LONDON, E.C., England

DIRECTORS' FIFTH ANNUAL REPORT

for the year ending

DECEMBER 31st, 1911

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Mexico Tramways Company

Board of Directors

F. S. PEARSON, Dr. Sc., C.E., M.I.C.E., New York, President.
Z. A. LASH, K.C., Toronto, Canada, Vice-President.
H. MALCOLM HUBBARD, London, England, Vice-President.
MILLER LASH, Toronto, Canada, Vice-President.
ROBERT C. BROWN, Toronto, Canada, Managing Director.
SIR WILLIAM C. VAN HORNE, K.C.M.G., Montreal, Canada.
E. N. BROWN, Mexico City, Mexico.
E. R. WOOD, Toronto, Canada.
WALTER GOW, Toronto, Canada.
VICOMTE GASTON DE BRETEUIL, Paris, France.
PAUL EUGENE DUTASTA, Paris, France.
CHEV. ROBERT DE BAUER, Brussels, Belgium.
J. S. LOVELL, Toronto, Canada.
B. H. BINDER, London, England.

General Manager

HARRO HARRSEN, Mexico City, Mexico.

Secretary

W. E. DAVIDSON, Toronto, Canada.

Assistant Secretaries

P. MENDEZ y MENDEZ,
Mexico City, Mexico.

B. H. BINDER,
London, E.C., England.

Treasurer

LLOYD LYON, Mexico City, Mexico.

Trustees for the Bondholders

NATIONAL TRUST COMPANY, Limited, Toronto, Canada.

Transfer Agents and Registrars

NATIONAL TRUST COMPANY, Limited, Toronto, Canada.

Solicitors

BLAKE, LASH, ANGLIN & CASSELS, Toronto, Canada.
CANCINO & RIBA, Mexico City, Mexico.

Auditors

McAULIFFE, DAVIS & HOPE, Mexico City, Toronto, Canada, and London, England.

412-387701, 3, V. 5, 1911, 1912

Mexico Tramways Company

DIRECTORS' FIFTH ANNUAL REPORT

The Board of Directors beg to submit their Fifth Annual Report, together with Balance Sheet and Profit and Loss Accounts of the Company for the year ending December 31st, 1911, and are glad to be able to report that the operation of the Company's undertaking during the year has been satisfactory.

As will be seen from the accompanying accounts, the net revenue in gold for 1911, after paying all expenses and fixed charges, amounted to \$1,383,530.58, which with the balance brought forward from 1910, makes a total credit balance to Profit and Loss Account for the year of \$2,027,597.10 out of which the Directors have, during the year, paid to the Shareholders four (4) quarterly dividends at the rate of seven per cent. (7%) per annum; and have placed the sum of \$86,912.92 to the Reserve Account, which now stands at \$2,600,000.00. The above appropriations have absorbed \$1,241,030.92, leaving a credit balance of \$786,566.18 to be carried forward. The ratio of operating expenses to gross income was 48.57 as compared with 49.06 for 1910.

The revolutionary disturbances which occurred in Mexico during the year did not seriously affect the Company or its undertaking. During the whole period of the disturbances the gross receipts showed satisfactory monthly increases.

On December 31, 1911, the Tramway System consisted of 195.06 miles of single track, of which 175.506 miles were operated by electricity and 19.554 miles by mules. The electric track mileage has been increased by 16.88 miles and the mule tracks have been reduced by 1.76 miles.

A new line between Mixcoac and the City of Mexico through the Calonia del Valle has been put into operation during the year, and has opened up an attractive residential district, and should be a satisfactory source of income to the Company.

The Company has commenced the construction, under the concessions which it owns, of suburban lines to Puebla and Toluca, and anticipates completing during the year 1912, about seven miles of each line. It also contemplates the electrification of the mule line to Tlalnepantla and also the Santa Fe mule line which will form part of the Toluca line.

The usual statistics regarding the Company are appended to this report for the information of Shareholders, and show that the physical condition of the

Company's undertaking in all departments is satisfactory. The whole property has been maintained in excellent condition and repair, and for this purpose \$761,276.00 (Mexican Currency) has been expended during the year on maintenance.

During the year Mr. Pablo Macedo resigned from the Board of Directors, and M. Paul Eugene Dutasta of Paris, France, was appointed to fill the vacancy thus formed, while Chev. Robert de Bauer, of Brussels, Belgium, was appointed as an additional member of the Board.

Mr. Alexander Strausz, Jr., has been appointed Treasurer in Mexico City in place of Mr. Lloyd Lyon, resigned.

In December, the Board also secured the services of Sr. Lic. Jose Vasconcellos as additional counsel and legal adviser in Mexico City.

The management contemplates the construction of further extensions to meet the constant growth of the City and the electrification of some of the lines still operated by mules.

In view of the fact that this Company has such a large interest in the Mexican Light & Power Company, Limited, the Directors gladly consented, on the resignation of Mr. E. D. Trowbridge from the management of that Company, to Mr. Harro Harrsen, the General Manager of this Company, undertaking also the general management of the Mexican Light & Power Company, Limited. The Board believe that by placing the management of the two companies under one head, considerable economy and benefit will result to both undertakings.

The Board look for steady development and increased prosperity of the country under the new government, and, consequently, the further successful growth and profitable operation of the Company's undertaking, and they desire to acknowledge the courtesy and consideration which the Company and its officials have at all times received from the Federal, State and City Officials in Mexico and they have every reason to believe that the relations between the Company and the Government will continue to be as harmonious and as satisfactory as in the past.

In closing, the Directors desire to express their great appreciation of the faithful services during the past year of Mr. R. C. Brown, Managing Director, Mr. Luis Riba, Legal Representative, and Mr. Harro Harrsen, General Manager, and of the other officials of the Company resident in Mexico.

By Order of the Board,

W. E. DAVIDSON,

Secretary.

Toronto, Canada, June 1st, 1912.

SCHEDULE OF CAR EQUIPMENT

From 1907 to 1911

					1907	1908	1909	1910	1911
First	Class	Passenger	Motor	Cars, Electric	214	220	238	240	240
"	"	"	Trail	"	9	25	25	25	25
Second	"	"	Motor	"	8	8	8	8	8
"	"	"	Trail	"	38	47	59	60	60
First	"	"	Mule	(Std. Gauge)	30	30	31	24	24
Second	"	"	"	"	14	14	14	13	12
First	"	"	"	(Narrow Gauge)	23	23	22	17	17
Second	"	"	"	"	5	5	5	5	5
First	"	"	Steam	"	2	....	....	....	....
Second	"	"	"	"	1	....	....	....	....
Freight	Motor	Cars,	Electric		26	36	36	41	41
"	Trail	"	"		40	72	72	72	72
"	Mule	"	"		43	46	27	28	24
"	Steam	"	"		62	25	13	....	....
Funeral Equipment					43	44	56	58	58
Valley Railway Locomotives					4	3	1	....	....
Miscellaneous					45	45	45	72	76
					607	643	652	663	662

During the past year the Company has built the following equipment:

Special Car "Tenochtitlan"	1
Box Spring wagons	2

During the past year the following equipment was demolished:

Second Class Mule Passenger Car (Std. Gauge)	1
Freight Mule Cars	4
Spring Wagon	1

Equipment left out in last year's schedule, now added to miscellaneous equipment:

Overhead line automobiles	2
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1 First Class Motor Passenger Car converted into Special Government Car.

COMPARATIVE STATEMENT OF TRACK MILEAGE

	ELECTRIC	MULES	STEAM	TOTAL
1907	118.00	37.00	12.00	167.00
1908	125.41	37.88	7.88	171.17
1909	145.245	26.655	....	171.90
1910	158.62	21.31	....	179.93
1911	175.506	19.554	....	195.06

SCHEDULE OF GROSS EARNINGS, OPERATING EXPENSES, AND MISCELLANEOUS
INFORMATION FROM 1907 TO 1911

	1907	1908	1909	1910	1911
CAR EARNINGS:					
Passengers.....	\$4,026,132.00	\$4,347,560.94	\$4,420,690.16	\$4,772,855.66	\$4,977,052.78
Tickets.....	411,615.90	458,455.10	486,962.49	504,550.00	550,812.65
Touring Cars.....		6,390.50	7,004.50	7,407.22	477.00
Chartered Cars.....	14,877.37	10,319.43	11,149.59	19,513.13	12,816.12
Freight, Steam.....	56,649.16	29,035.33			
Freight, Other.....	155,969.21	190,283.22	216,145.63	276,019.86	228,838.01
Baggage and Parcels.....	69,184.12	81,198.75	87,813.52	103,570.70	108,163.93
Funeral.....	135,719.83	156,972.35	153,248.56	150,822.01	148,752.55
Total.....	4,870,147.59	5,280,215.62	5,383,014.45	5,834,738.58	6,026,913.04
MISCELLANEOUS EARNINGS AND IN- COME.....					
	53,926.82	48,357.22	57,272.42	47,795.25	150,057.84
TOTAL EARNINGS AND INCOME.....	4,924,074.41	5,328,572.84	5,440,286.87	5,882,533.83	6,176,970.88
OPERATING EXPENSES INCLUDING TAXES.....					
	2,760,583.84	2,795,092.30	2,721,457.03	2,885,924.46	3,000,352.33
PASSENGERS CARRIED FOR CASH FARES:					
1st Class.....	46,680,902	51,738,896	52,772,825	55,771,796	57,994,240
2nd Class.....	17,942,665	18,618,765	19,206,742	20,561,721	22,597,671
Total.....	64,623,567	70,357,661	71,979,567	76,333,517	80,591,911
CAR MILEAGE:					
Motors and Trailers.....	8,720,284	9,760,487	10,348,183	11,093,178	11,582,549
Steam.....	8,881	5,965			
Animal.....	803,145	776,814	628,692	638,676	497,555
Freight and Sundry.....	790,302	813,476	907,446	1,063,321	935,436
Total.....	10,322,612	11,356,742	11,884,321	12,795,175	13,015,540
AVERAGE 18 HOUR CARS OPERATED PER DAY:					
Electric.....	183.47	209.23	217.32	234.40	217.99
Mule.....	25.57	23.44	18.38	18.60	12.35
Total.....	209.04	232.67	235.70	253.00	230.34
AVERAGE EARNINGS PER PASSENGER CAR PER DAY.....					
	58.16	56.43	57.05	57.15	65.79
AVERAGE PASSENGER RECEIPTS PER CAR MILE.....					
	46.55	45.59	44.68	44.98	42.47
OPERATING EXPENSES, NOT INCLUDING TAXES, PER CAR MILE, PASSEN- GER AND FREIGHT SERVICE.....					
	28.03	25.61	23.89	23.73	22.16
DAILY AVERAGE EARNINGS FROM OPERATION.....					
	13,342.87	14,426.82	14,747.98	15,985.59	16,887.05
DAILY AVERAGE OPERATING EXPENSES PERCENTAGE OF GROSS EXPENDITURES, INCLUDING TAXES, TO GROSS EARNINGS AND INCOME.....					
	55.86	52.45	50.02	49.06	48.57
MULES ON HAND.....					
	414	422	330	278	237
HORSES ON HAND.....					
	11	18	12	12	24
Total Animals.....	425	440	342	290	261

MEXICO TRAM

Incorporated under the Laws

BALANCE SHEET

ASSETS

PROPERTIES, SECURITIES AND CONTRACTS ACQUIRED:

As per last Balance Sheet.....	\$21,071,814.89	
ADD: Cost of Securities acquired during the year.....	35,171.23	
		\$21,106,986.12

STOCK OF STORES ON HAND AND IN TRANSIT..... 599,922.77

MULES AND HORSES..... 19,059.66

ACCOUNTS RECEIVABLE—DEPOSITS WITH GOVERNMENT, Etc..... 527,975.08

ADVANCES TO AND FROM SUBSIDIARY AND OTHER COMPANIES CONTROLLED BY THE COMPANY:

Balance as per last Balance Sheet.....	\$14,358,657.31	
ADD: Further Advances during the year less repayments.....	281,570.72	14,640,228.03

CASH AT BANKS AND ON HAND..... 532,977.59

\$37,427,149.25

WAYS COMPANY

of the Dominion of Canada

DECEMBER 31st, 1911

American Currency

LIABILITIES

SHARE CAPITAL:

Authorized—200,000 shares of \$100 each..... \$20,000,000.00

Issued—164,874 shares of \$100 each, fully paid..... \$16,487,400.00

GENERAL CONSOLIDATED FIRST MORTGAGE FIFTY YEAR FIVE PER
CENT. GOLD BONDS..... 9,000,000.00

SIX PER CENT. FIFTY YEAR MORTGAGE DEBENTURE BONDS
£1,250,000 0 0, at 4.86 $\frac{2}{3}$ 6,083,333.33

ACCRUED INTEREST FOR BONDHOLDERS 335,360.48

UNCLAIMED DIVIDENDS AND UNPAID COUPONS 27,203.00

CURRENT LOANS AND ACCOUNTS PAYABLE..... 2,107,286.26

RESERVE ACCOUNT (including appropriations made for depreciation)
amount brought forward from 1910..... \$2,513,087.08

ADD: Amount appropriated from Balance at credit of Profit and Loss
Account..... 86,912.92 2,600,000.00

PROFIT AND LOSS ACCOUNT:

Credit Balance as per Account..... \$873,479.10

DEDUCT: Appropriation to Reserve Account and as
provision for depreciation..... 86,912.92 786,566.18

\$37,427,149.25

We report that we have examined the foregoing Balance Sheet with the Books of the Company, and in our opinion such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the position of the Company at December 31st, 1911, as disclosed by the books.

(Sgd.) McAULIFFE, DAVIS & HOPE,
Auditors.

MEXICO TRAM

Incorporated under the Laws

HEAD OFFICE, TORONTO, PROFIT AND LOSS ACCOUNT

TO TORONTO and LONDON OFFICE EXPENSES, Transfer Fees and Legal Expenses	\$64,686.12
" INTEREST ON LOANS.....	151,624.55
" INTEREST on General Consolidated First Mortgage Fifty Year Five Per Cent. Gold Bonds.....	450,000.00
" INTEREST on Six Per Cent. Fifty Year Mortgage Bonds	365,000.00
" QUARTERLY DIVIDENDS, Nos. 14 to 17 inclusive.....	1,154,118.00
" BALANCE, carried to Balance Sheet.....	873,479.10
	<u>\$3,058,907.77</u>

WAYS COMPANY

of the Dominion of Canada

FOR THE YEAR ENDED DECEMBER 31st, 1911

American Currency

BY BALANCE as at December 31st, 1910.....	\$644,066.52
“ PROFIT from Operation of the System after providing for Lease Rentals, \$2,579,793.89 Mexican Currency.....	1,289,896.95
“ INTEREST and DIVIDENDS on Loans to and Securities of other Companies owned or controlled by the Company.....	1,093,767.65
“ MISCELLANEOUS INCOME.....	29,002.86
“ DIFFERENCE IN EXCHANGE.....	2,173.79
	<hr/>
	<u>\$3,058,907.77</u>

MEXICO TRAM

Incorporated under the Laws

MEXICO CITY PROFIT AND LOSS ACCOUNT

TO OPERATING AND GENERAL EXPENSES.....	\$2,120,616.52
“ MAINTENANCE.....	761,276.19
“ TAXES.....	118,459.62
“ GROSS PROFIT from Operation, carried down.....	3,176,618.55

\$6,176,970.88

TO RENTALS and FIXED CHARGES payable to Subsidiary Companies under Leases, less amount received back as Interest and Dividends on Securities held in such Companies.....	\$596,824.66
“ BALANCE transferred to Head Office, Toronto, Profit and Loss Account.....	2,579,793.89
	<hr/> <u>\$3,176,618.55</u>

WAYS COMPANY

of the Dominion of Canada

FOR THE YEAR ENDED DECEMBER 31st, 1911

Mexican Currency

BY EARNINGS FROM TRAFFIC.....	\$6,026,913.04
“ MISCELLANEOUS EARNINGS	150,057.84

\$6,176,970.88

BY GROSS PROFIT from Operation, brought down.....	\$3,176,618.55
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\$3,176,618.55



MEXICO TRAMWAYS COMPANY

NOTICE

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of the MEXICO TRAMWAYS COMPANY will be held on Wednesday, the 3rd day of July, 1912, at 11 o'clock in the forenoon, at the office of the Company, Manning Arcade, 24 and 28 King Street West, Toronto, Canada, for the purpose of receiving the Annual Report of the Board of Directors of the Company, for the election of Directors and for such other purposes as may be dealt with at an Annual Meeting.

The Stock Transfer Books of the Company will be closed from the 29th day of June, 1912, to the 3rd day of July, 1912, both days inclusive.

BY ORDER of the Board,

W. E. DAVIDSON,
Secretary.

Manning Arcade
24 and 28 King Street West
TORONTO, Canada

Dated the 1st day of June, 1912.